

# Electric vehicles are key battleground at Shanghai Auto Show

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Western carmakers are racing to catch up with Chinese competitors in the crucial electric vehicle market at the Shanghai Auto Show.

China was the road to the future for foreign brands at the Shanghai Auto Show on Tuesday, who are racing to catch up with Chinese competitors

in the crucial electric vehicle market.

EVs make up a quarter of car sales in China, the world's largest car [market](#), and dozens of new models from domestic and Western brands were unveiled at the country's first auto show since COVID restrictions were lifted.

Domestic brands command 81 percent of the EV market in China, according to analysts at Counterpoint Research, and European industry titans were at pains to emphasize the importance of doing business in China.

"China is the place to be," BMW executive Frank Weber told a news conference. "Munich is where we come from, but China is where we are at home."

Almost 70 percent of BMW's newest operating system involves functions specific to the Chinese market and the company has tripled its research and development there in the past three years, BMW said.

"What moves Chinese customers today will move the world tomorrow," another BMW executive, Oliver Zipse, told the audience as he presented the i Vision Dee, a color-changing electric sports sedan.

Fellow German carmaker Volkswagen announced it would invest one billion euros (\$1.1 billion) in a new development center for [electric vehicles](#) in southern China as part of its "in China, for China" strategy.

An earlier news release said its brands would present 20 electrified models at the show, with the Volkswagen ID.7 and new Cayenne Porsche getting their world premieres.

"With its high level of innovation, China is an important pacesetter for

the entire automotive industry," the news release said.

"A strong position in China strengthens our global competitiveness."

Mercedes-Benz announced it has fully electrified two classic models, the off-road G-class and its Maybach SUV.

Elon Musk's Tesla, the biggest seller of electric cars globally, is not attending, and a representative did not say why it was a no-show when contacted by AFP.



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## Domestic champions look west

Opposite BMW in the exhibition hall, China's BYD unveiled a series of new electric models that included a supercar from its high-end Yangwang [brand](#).

BYD is catching up on Tesla's primacy fast and intends to develop further in Europe and North America.

Chinese media reported that the company has set its 2023 sales target at three million units.

BYD's vice president said the company planned to export 300,000 EVs this year, compared to 50,000 the year before, state broadcaster CCTV said.

It already has a foothold in the European market, starting with a presence in Norway before expanding into other European countries.

Other Chinese brands are also looking to expand west.

Zeekr, a premium electric brand owned by Geely, confirmed on Tuesday that it would enter the European market.

"Europe for us is a very important region," Spiros Fotinos, its Europe CEO, told AFP. "It's a mature yet complicated market as we prepare ourselves for global expansion... that gives us a headstart in entering other regions as well."

It was the first time since 2019 that most international executives came to the Shanghai show, one of the industry's most important.

"It's amazing to be back here," Fotinos said.

"You see the enthusiasm and the excitement and the sheer number of people who are here today. Clearly people have missed this opportunity."

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